

106TH CONGRESS  
1ST SESSION

# H. R. 406

To amend title XVIII of the Social Security Act to eliminate the budget neutrality adjustment factor used in calculating the blended capitation rate for Medicare+Choice organizations.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 19, 1999

Mr. NUSSLE (for himself, Ms. HOOLEY of Oregon, Ms. DUNN, Mr. METCALF, Mr. BEREUTER, and Mr. MINGE) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend title XVIII of the Social Security Act to eliminate the budget neutrality adjustment factor used in calculating the blended capitation rate for Medicare+Choice organizations.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medicare Health Plan  
5 Fair Payment Act of 1999”.

1 **SEC. 2. ELIMINATION OF BUDGET NEUTRALITY ADJUST-**  
 2 **MENT FACTOR IN CALCULATING THE BLEND-**  
 3 **ED CAPITATION RATE FOR**  
 4 **MEDICARE+CHOICE ORGANIZATIONS.**

5 (a) IN GENERAL.—Section 1853(c) of the Social Se-  
 6 curity Act (42 U.S.C. 1395w–23(c)) is amended—

7 (1) in paragraph (1)(A), by striking the comma  
 8 at the end of clause (ii) and all that follows before  
 9 the period at the end; and

10 (2) by striking paragraph (5) and redesignating  
 11 paragraphs (6) and (7) as paragraphs (5) and (6)  
 12 respectively.

13 (b) CONFORMING AMENDMENTS.—

14 (1) Section 1853(c) of the Social Security Act  
 15 (42 U.S.C. 1395w–23(c)) is amended—

16 (A) in paragraph (1) in the matter preced-  
 17 ing subparagraph (A), by striking “(6)(C) and  
 18 (7)” and inserting “(5)(C) and (6)”; and

19 (B) in paragraphs (1)(B)(ii) and (3)(A)(i),  
 20 by striking “(6)(A)” and inserting “(5)(A)”.

21 (2) Subsections (b)(3)(B)(ii) and (c)(3) of sec-  
 22 tion 1859 of such Act (42 U.S.C. 1395w–29) are  
 23 each amended by striking “1853(c)(6).” and insert-  
 24 ing “1853(c)(5).”

25 (c) SUBMISSION TO CONGRESS.—Not later than 20  
 26 days after the date of the enactment of this Act, the Sec-

1   retary of Health and Human Services shall submit to Con-  
2   gress a legislative proposal that provides for aggregate de-  
3   creases in Federal expenditures under the Medicare pro-  
4   gram under title XVIII of the Social Security Act (42  
5   U.S.C. 1395 et seq.) that are equal to the aggregate in-  
6   creases in such expenditures under such program resulting  
7   from the amendments made by subsections (a) and (b).  
8       (d) EFFECTIVE DATE.—The amendments made by  
9   this section shall apply to payments made for periods be-  
10   ginning on or after January 1, 2000.

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